



Credit and Liquidity Enhancement of Securities

Chapman and Cutler LLP's Public and Institutional Banking & Finance Group represents a wide variety of state and federally chartered financial institutions as well as domestic branch offices of banks chartered and headquartered in countries such as Germany, France, Canada, Japan, The Netherlands, Ireland, Belgium and Australia.

Chapman and Cutler serves the financial services community at the forefront of credit enhancement.

Chapman and Cutler has been at the forefront of credit enhancement in the development of letters of credit and liquidity facilities utilized in connection with public finance transactions. For generations, the firm has enjoyed a national reputation in municipal finance, banking, corporate finance and securities underwriting. Our practice group has used our collective experience to assist clients in the banking and insurance fields with the legal complexities of letters of credit, insurance policies, surety bonds and liquidity facilities in support of publicly issued municipal securities.

Our collective credit enhancement experience includes the following types of transactions: municipal general obligation and revenue bonds, tax and revenue anticipation notes, municipal lease obligations, bonds issued for the benefit of nonprofit hospitals, nursing homes, universities and cultural institutions, exempt facility bonds financing housing, airports, utilities, solid waste and resource recovery facilities, student loan bonds, small issue industrial development bonds and commercial paper programs.

Representative Transactions

Our attorneys served as bank counsel for clients that provided the following types of credit enhancement in connection with the following transactions:

Attorneys

Douglas A. Bird
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Related Practices

Asset-Based Lending
Certified Capital Company
Finance (CAPCOs)
Conventional Secured and
Unsecured Debt Finance
Corporate Finance and
Securities

- Letters of credit and liquidity facilities in support of \$2.9 billion principal amount of State of California Economic Recovery Bonds, Series 2004C
- Credit and/or liquidity support for the variable rate portion of \$11 billion of bonds issued by the California Department of Water Resources
- Liquidity facility for a \$300 million bond issuance by the County of Cook in Illinois
- Liquidity facility for a \$222 million bond issuance by the City of Chicago's Board of Education
- Letter of credit supporting the \$200 million City of Chicago Water System Commercial Paper Notes (2004 Program)
- Liquidity support for \$150 million City and County of Denver, Colorado, Airport System Revenue Bonds, Series 2004A
- Credit and/or liquidity support for various series of bonds issued by the Los Angeles Department of Water and Power
- Insured liquidity facilities for \$140 million of bonds issued on behalf of Northwestern Memorial Hospital
- Credit and liquidity support for \$62 million of The Four Dam Pool Power Agency Electric Revenue Refunding Bonds, Series 2004
- Letter of credit and liquidity support for \$27 million Kern Water Bank Authority Variable Rate Demand Revenue Bonds (Series 2003A and Series 2003B)
- Letter of credit for \$60 million University of Kansas Hospital Authority's variable rate demand bonds
- Liquidity facility for a \$100 million bond issuance by the Idaho Health Facilities Authority
- Letters of credit for several bond issuances for Chicago's YMCA
- Liquidity support for a \$93.9 million bond issuance for Chicago's Art Institute

Credit Tenant Loan Finance
Cross-Border Institutional Private Placements
Derivative Transactions
Federal Government Finance
Mezzanine Finance
Private High Yield
Private Investment in Public Entities (PIPEs)
Project Finance
Public-Private Partnerships
Real Estate Finance
Real Estate Investment Trusts (REITs)
Rule 144A and Other Exempt Offerings
SEC and Stock Exchange Compliance
SEC Registered Offerings (Debt and Equity)
Second Lien Financings
Secondary Market Transactions
Secondary Offerings
Sports Finance
Utility Finance